

1210.05 Emergency Vendor Payments

Issued January 1, 1994

SUBJECT: Emergency Vendor Payments.

APPLICATION: Executive Branch Departments and Sub-units.

PURPOSE: To establish the procedure for state departments and agencies requesting immediate vendor payment due to an emergency.

CONTACT AGENCY: Department of Management and Budget (DMB) - Office of Financial Management (OFM)

TELEPHONE: 517/373-1011

FAX: 517/373-6458

SUMMARY: This procedure is to be used only in extreme cases of emergency, requiring payments to be made prior to the time a warrant can be written through the normal process. Emergency payments of less than \$1,000.00 may be made from available balances in agency imprest cash accounts while payments greater than \$1,000.00 are to be made via a warrant (see Procedure 1210.11).

Both methods of payment require completion of Form A-777, Emergency Vendor Payment Request. If the payment is to be via an Imprest Cash check, Form A-777 is sent to the DMB, OFM. If the payment is via a warrant, Form A-777 is sent to the Department of Treasury.

APPLICABLE FORMS: A-2, Journal Voucher.
A-30, Payment Voucher.
A-777, Emergency Vendor Payment Request.
T-1047, Treasury Invoice Voucher.

PROCEDURES:

Instruction A - Imprest Cash Emergency Payments - Amounts Less Than \$1,000.00.

NOTE: If Form A-30, Payment Voucher has previously been submitted and the on-line inquiry system indicates the payment is on the pending file, the agency is responsible for remedying the lack-of-funds situation prior to submitting the request for emergency payment.

Agency:

- Requests authorization from the OFM, Central Audit Division (CAD) Director, to issue an imprest cash check for an amount less than \$1,000.00 and informs him/her of emergency reason and all of the following information:
 - Date of Form A-30, whether it is a paper document, an Electronic Data Processing Tape or entered on-line and account numbers charged.
 - Batch number in which it was submitted.
 - Whether the on-line inquiry system indicates it has been recorded or is on pending.
 - If recorded, the warrant number and issue date.
 - Forwards A-777 to OFM.

CAD Director:

- Verifies status of Form A-30, if one has been previously submitted.

- Prepares and sends a memorandum to Department of Treasury, Financial Operation Division Disbursement Section to pull the warrant if the payment information has been entered on accounting system.
- Receives the original and copies of the A-777 and determines if the emergency request is reasonable.
 - Approves emergency request by signing and dating Form A-777.
 - Returns one copy to the agency and files one copy.

Agency:

- Locates the Form A-30, marks it VOID if it has not been processed by Central Systems Data Center (CSDC).
- If payment is approved, issues imprest cash check to vendor and prepares Form A-777 according to the instructions on page 4 below.
 - Retains the original copy of A-777 with documentation of payment, sends two copies to the DMB, OFM, CAD Director and discards the other copy.
 - Receives voided Form A-30, with original copy of A-777 and documentation of Imprest Cash check.
- Files signed A-777 with other documentation.

Instruction B - Emergency Vendor Payments - Amounts Greater Than \$1,000.00.

NOTE: If Form A-30 has previously been submitted and the on-line inquiry system indicates the payment is on the pending file, the agency is responsible for remedying the lack-of-funds situation prior to submitting the request for emergency payment.

Agency:

- Prepares Form A-777 according to the instructions on page 4 below.
 - Retains pink copy of A-777 for agency records.
 - Contacts Department of Treasury officials who are authorized to sign emergency disbursements.
 - Submits the documents to a Department of Treasury official for determination if emergency condition exists.

NOTE: Officials are listed in the order they should be contacted for availability to approve emergency conditions:

- Director, Bureau of Management Services.
- Deputy Director, Bureau of Management Services.
- Administrator, Budget and Accounting Division
- Chief Deputy Treasurer.

Treasury Official:

- Evaluates A-777 to determine if emergency situation exists.
 - Checks with Administrator, Short Term Investment Division, for all disbursements greater than \$1 million, to determine that cash is available to honor the emergency disbursement. If cash is not available, denies the request or delays approval until sufficient money is available.
 - Notifies requesting agency of requests not approved and returns all documents to it.

- Approves emergency payment by signing and dating Form A-777.
- Retains white copy of the A-777 for Department of Treasury records.
- Forwards approved goldenrod and yellow copies of the A-777 and all accompanying documentation to the DMB, OFM.
- Signs the T-1047, records the number on the Department of Treasury copy of the A-777 and files.
- Processes request, prepares T-1047, Treasury Invoice Voucher and Form A-2, Journal Voucher and delivers 3 copies of the T-1047 and a photocopy of the Form A-30 to the Department of Treasury official who originally approved the request.
 - Returns the yellow copy of the T-1047 to the OFM and forwards the other two copies and photocopy of form A-30 to Receipts Processing Division.

Department of Treasury Receipts Processing Division:

- Checks available files and records to determine that payee is not indebted to the State. If indebtedness is found, reduces disbursement by amount of debt and prepares warrant for disbursement.
 - Mails warrant or gives it to cashier for delivery to payee or designated representative.
- Treasury Cashier:
 - Verifies and records identification of payee or designated representative before releasing warrant.

Instruction C - Completing form A-777.

Agency:

- Enters date.
- Enters name of requesting agency and/or department.
- Enters payee name, address and identification number.
- Enters reason emergency payment is required.
- Enters date payment is needed.
- Indicates if warrant on check is to be mailed or picked up.
- Enters name and telephone number of contact person if warrant is to be picked up.
- Enters account numbers, cost centers and object codes.
- Indicates if payment is less than or greater than \$1,000.00.
- Indicates whether or not form A-30 has been submitted to DMB, OFM.
- Records date voucher was submitted.
- Indicates whether voucher was a paper document or on magnetic tape.
- Enters batch number, voucher number and tape number of previously submitted voucher.
- Indicates status of voucher according to on-line inquiry system.
- Enters warrant number and date warrant issued if voucher has been recorded.
- Obtains director or deputy director signature and date to request.

* * *

Distribution Date: 1-6-97
Procedure 1210.05